

**AGREEMENT BETWEEN THE
GOVERNMENT OF ANTIGUA AND BARBUDA
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
REGARDING UNITED STATES DEFENCE AREAS AND FACILITIES IN
ANTIGUA**

The Government of the United States of America and the Government of Antigua and Barbuda, having reviewed the Defence Areas and Facilities Agreement which was concluded on December 4, 1977, the related Memorandum of Understanding and Agreed Minute concluded on December 14, 1977 (collectively, the "agreement"), and the exchange of Notes dated December 4, 1985, February 5, 1986, and February 26, 1986, related to the mission of the United States Air Station (collectively, the Exchange of Notes"), have agreed as follows:

- (1) The agreement, as amended by the exchange of Notes, be extended for an additional period from January 1, 2004, until December 31, 2008.
- (2) The map appended to this agreement henceforth constitutes the definitive map of the defense areas, rights of access, rights of way and easements covered by the agreement; and
- (3) That consistent with both Governments' understanding of Article VIII of the Agreement, the Government of Antigua and Barbuda shall not require any United States contractor or contractor personnel to pay any fee, tax or other charge to perform any work or other or other activity in connection with the Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement

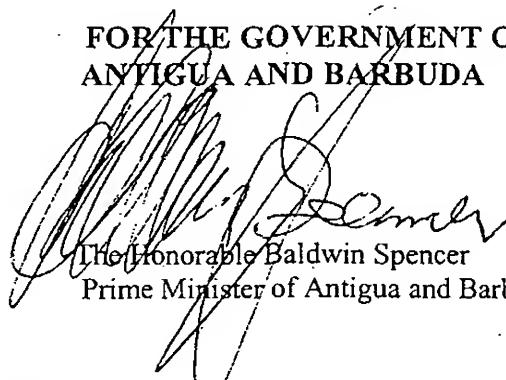
Done at St John's, Antigua, in duplicate, this twenty-third day of August in the year two thousand and four.

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA**



The Honorable Mary Kramer
U. S. Ambassador to the Eastern Caribbean

**FOR THE GOVERNMENT OF
ANTIGUA AND BARBUDA**



The Honorable Baldwin Spencer
Prime Minister of Antigua and Barbuda

Certified True Copy
Major Curtis Schmucker
Deputy, U.S. Military Liaison Office



LEASE TO THE GOVERNMENT OF THE UNITED STATES OF AMERICA

BY THE GOVERNMENT OF ANTIGUA & BARBUDA

WHEREAS, in the Agreement between the Government of Antigua and the Government of the United States of America, dated December 14, 1977, regarding defence areas in Antigua (hereinafter referred to as "the Defence Areas Agreement"), the Government of Antigua and Barbuda undertook in Articles II and IV thereof to make available to the Government of the United States of America defence areas, rights of access, rights of way and easements for the purposes of that Agreement; and

WHEREAS, Article IV of the Defence Areas Agreement further provided that said defence areas, rights of access, rights of way and easements would be provided free of rent and all other charges except as expressly stated in leases concluded by appropriate United States military authorities and the Government of Antigua and Barbuda; and

WHEREAS, the Government of Antigua and Barbuda and the Government of the United States of America by an Agreement dated August 23, 2004, amended the Defence Areas Agreement by extending it through 31st December, 2008 (the Defence Areas Agreement together with the Agreement dated August 23, 2004, are collectively referred to in this Lease as "The Agreement as amended");

NOW THEREFORE, this lease is made by and between the Governments of Antigua and Barbuda acting by and through the Governor-General (hereinafter called "the Lessor"), and the Government of the United States of America acting by and through the Department of the Air Force (hereinafter called "the Lessee).

- (1) **Leased Property:** The Lessor leases to the Lessee the defence areas, rights of access, rights of way, and easements shown in the map attached to the Agreement between the two Governments dated August 23, 2004. The United States Government has determined that it no longer requires the entire defence area reflected in the previous lease. As a result, the parcels covered by this lease,

identified in the attached map, reflect a total reduction of 95.22 acres in the defense area over the previous lease. This description constitutes notice to the Government of Antigua and Barbuda as required by Article IV (3) of the 1977 Agreement Between the Government of the United States of America and the Government of Antigua and Barbuda Regarding United States Defence Areas and Facilities in Antigua and Barbuda.

(2) **Term:** The term of this lease shall begin on January 1, 2004, and continue through December 31, 2008.

(3) **Use:** Lessee's use of the property shall be for the purposes of the Agreement, as amended.

(4) **Consideration:** Beginning January 1, 2005 the Lessee shall pay to the Lessor an amount not to exceed one million two hundred and fifty thousand dollars (U.S. \$1,250,000), payable in four equal installments of three hundred and twelve thousand, five hundred dollars (U.S. \$312,500) on January 1, April 1, July 1, and October 1. Cheques shall be made payable to the Government of Antigua and Barbuda. For 2004, the first payment was made on or about 1 January 2004. The balance for 2004, nine hundred and thirty-seven thousand, five hundred dollars (U.S. \$937,500), shall be paid upon signature by both Parties of the present lease.

(5) **Operations and Maintenance Costs:** Beginning 1 January 2005, the Lessee shall pay to the Lessor an amount not to exceed ninety-three thousand, nine hundred dollars (U.S. \$93,900) annually as its contribution to the maintenance and operating costs of V. C. Bird International Airport pursuant to Article VII of the Agreement, as amended, payable in four equal installments of twenty-three thousand, four hundred seventy-five dollars (U.S. \$23,475) on January 1, April 1, July 1, and October 1. Cheques shall be made payable to the Government of Antigua and Barbuda. Payments for 2004 will be at the previous rate of forty thousand dollars (U.S. \$40,000) annually, the first payment having been made on or about 1 January 2004. The balance for 2004, thirty thousand dollars (U.S. \$30,000), shall be paid upon signature by both Parties of the present lease.

(6) **Renewal:** After 2005, the Lessee shall have the option to renew this lease annually for the

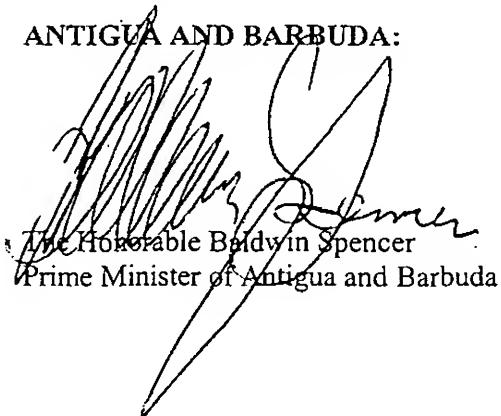
years 2006, 2007, and 2008 at the annual rates for 2005 specified in paragraphs (4) and (5) above by giving the Lessor written notice to that effect prior to the expiration date of the then current term.

(7) **Termination:** The Lessee may terminate this lease at any time by giving the Lessor written notice one year prior to the effective date of termination. If the termination date specified in such notice does not coincide with the expiration date of the then current lease term, said term shall be extended to the specified termination date and the consideration specified in paragraph (4) above shall be prorated at one hundred four thousand, one hundred sixty-seven dollars (U.S. \$104,167) per month to such termination date, and the payments for operation and maintenance costs specified in paragraph (5) above shall be prorated at seven thousand, eight hundred twenty-five dollars (U.S. \$7,825) per month to such termination date.

(8) **Official Not to Benefit:** No member of or delegate to the Congress of the United States of America shall be admitted to any share or part of this lease or to any benefit that may arise there from.

FOR THE GOVERNMENT OF

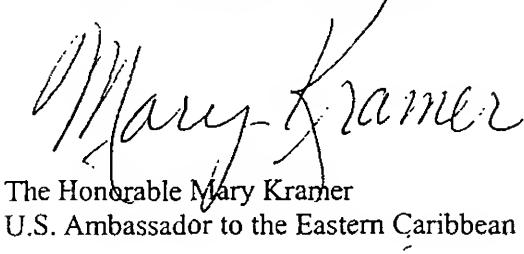
ANTIGUA AND BARBUDA:



The Honorable Baldwin Spencer
Prime Minister of Antigua and Barbuda

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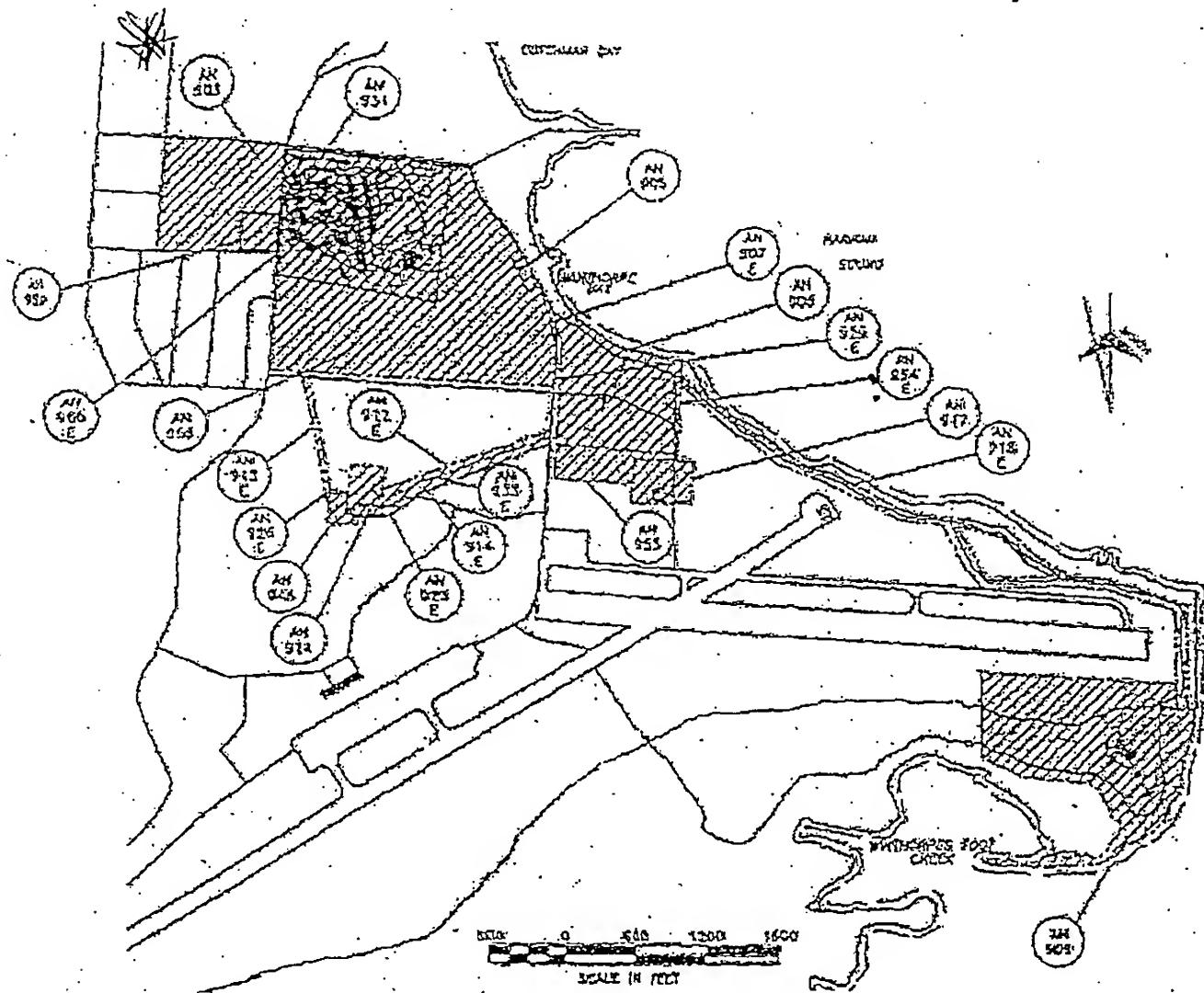


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Summary of Proposed USAF Property Lease (January 2004)



Notes: 1) Diagram does not depict existing easement (rainwater catchment & pipeline) to tract AN-953.
2) Diagram does not depict new easement (water pipeline) from tract AN-905 to shoreline.